



Dear Chairman and Members of the Committee:

My name is Rod Stasik and I am here today on behalf of Insurance Auto Auctions to support House Bill 4926. Insurance Auto Auctions is a licensed salvage pool that handles the sale of damaged and theft-recovered vehicles for the insurance industry. We have two locations in Michigan and employ 25 people.

Automobile insurers process thousands of total loss claims in Michigan each year. For the vast majority of these claims, the total loss settlement is paid to the vehicle owner and any lienholder after the certificate of title for the vehicle is made available to the insurer, thus further titling of the vehicle can be handled in accordance with Michigan law.

However, there are occasions when, even though the insurer has paid the total loss settlement, the certificate of title for the vehicle is not properly made available to the insurer. The result of these situations is that vehicles sit in salvage auction facilities, often with no straight-forward or efficient way to dispose of them.

This bill sets forth a process whereby the insurer may obtain a salvage certificate for the vehicle in situations where the title has not properly been surrendered. The insurer would be required under this bill to provide notification to the owner or lien holder on at least two separate occasions that requests the proper title or documentation required to transfer ownership. The insurer will then be required to send an application for a salvage certificate to the Secretary of State along with proof of payment of the claim and a copy of the notices sent to the owner and any lienholder requesting the certificate of title.

The above process will help insurers expedite the receipt of an ownership document in their name and implement the salvage laws in a timely manner.

Additionally, the bill sets forth a process for a salvage pool to dispose of an abandoned vehicle on its property if the owner or lienholder does not remove the vehicle from the salvage pool's facility after due notice has been sent. This process would be much more efficient than the current process salvage pools follow which involves going through Probate Court.

For the reasons stated above, Insurance Auto Auctions supports the bill and asks for your support as well.

Thank you,

Rod Stasik

Area Manager
Insurance Auto Auctions, Inc